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ISRAEL-SYRIA: Tel Aviv is reacting to reports of Syrian military preparations on the Golan front. According to the US Embassy in Tel Aviv, the Israelis are showing increased concern over Syrian intentions. Tel Aviv is said to be worried over the "readiness" and "concentrations" of Syrian troops near the cease-fire line as well as over indications that President Asad is coming under pressure from "extremists" for having released the Israeli POW list. The Israeli cabinet apparently met in extraordinary session on the night of March 4 to discuss the situation.

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*ISRAEL: Prime Minister Meir, bolstered at the last minute by the promise of National Religious Party participation, presented a new cabinet to President Katzir yesterday. Mrs. Meir made few changes, and if the Religious Party ministers rejoin as expected, she will have essentially the same team as before, commanding a majority of the Knesset votes. No substantive changes in the government's negotiating position on Middle East peace issues are likely to occur.

Only five new faces were among the 16 ministers whom she named. The most noteworthy of these is Yitzhak Rabin, former chief of staff and ex-ambassador to the United States, who was named labor minister. A quiet man who attempts to avoid controversy, Rabin's views on US-Israeli relations are reportedly respected by Mrs. Meir.

Another newcomer to the cabinet is Yehoshua Rabinowitz, a key leader of the inner group of Labor Party political professionals. Rabinowitz had lost his bid for re-election as mayor of Tel Aviv in December.

Three cabinet posts--religious affairs, welfare, and interior--were left open for their former incumbents from the National Religious Party. The Transport Ministry was also left unfilled, and no mention was made of a communications minister. Simon Peres may retain the transport post along with his information portfolio.

Critics and the political opposition will undoubtedly cite the new cabinet's similarity to its predecessor as further evidence that that country's aging leadership refuses to surrender any significant control over governmental affairs and that little innovative leadership can be expected.

*Because of the shortage of time for preparation of this item, the analytic interpretation presented here has been produced by the Central Intelligence Agency without the participation of the Bureau of Intelligence and Research, Department of State.

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SOUTH KOREA: President Pak Chong-hui believes he can now deal more effectively with any domestic unrest that may follow the reopening of Seoul's major universities this week.

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The regime's heightened anti-Communist campaign, which has focused on Pyongyang's recent sinking of an ROK fishing boat and other "provocative" North Korean activity, has also strengthened Pak's hand.

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Although it does appear that Pak's domestic problems have eased over the past month, he is hardly out of the woods. Some student protests are still likely this spring and could provide a catalyst for political action by intellectuals, Christians, and economically hard-pressed urban workers. Pak is sympathetic toward the workers--particularly to their complaints about a 10-percent rise in Seoul's retail prices so far this year--and seems willing to alleviate their plight.

Pak's willingness to involve himself in labor affairs reflects his growing concern that demands by urban workers for better pay and working conditions could become linked with calls for political reform. In the past two months the regime has moved to block efforts by Christian social action groups seeking to increase political awareness among workers, and thus bring them into the mainstream of the opposition against Pak's authoritarian policies.

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JAPAN: Domestic political problems are complicating the Tanaka government's campaign to win Diet ratification of a continental shelf treaty with South Korea.

The accord, which would pave the way for joint oil exploration in the Korea Strait, was concluded last month, and there had been hope of presenting it for approval in the current Diet session. Leftist parties were expected to oppose it because of strong protests from Peking and Pyongyang, but Tanaka thought he could get Diet approval, nevertheless.

Opposition that has now surfaced within Tanaka's own Liberal Democratic Party may force him to delay ratification. Dissatisfaction within the LDP is concentrated among so-called doves--the party's relatively small left wing--who claim that the conclusion of a major agreement with Seoul is inappropriate at this time because of the repercussions of the kidnapping of South Korean opposition leader Kim Tae-chung from Japan late last summer.

All opponents of the treaty--LDP doves, elements of the Liberal Democratic right, and the leftist parties--want to look closely at the treaty's impact on Japan's fishing industry. [REDACTED]

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WEST GERMANY: Recent wage settlements with some of the major metalworkers unions have exceeded the government's guidelines and threaten its efforts to hold down domestic inflation, currently an annual rate of nearly 8 percent. Metalworkers in North Rhine - Westphalia, Hesse, Saarland, Lower Saxony, and West Berlin have ratified agreements providing for wage increases of 11 percent retroactive to January 1, an additional 2-percent rise on November 1, and other benefits that bring the total increase to almost 15 percent. The Economics Ministry has estimated that if wages increased by more than 10 percent, unemployment for the year could reach between 2.5 and 3 percent--very high by German standards--and consumer prices would rise by at least 10 percent.

Strikes are threatening to disrupt the metal-working industry in other regions, where negotiations either have been suspended or have broken off completely. In Bremen, employers rejected a recommendation by the conciliation board for a 14-percent wage hike and increased fringe benefits, offering instead to settle on the basis of the North Rhine - Westphalia agreement. Union members, numbering some 57,000, turned down this proposal, however, and voted to strike. Discussions in Schleswig-Holstein ended abruptly following the rejection by employers of a demand for a 13.5-percent pay increase, and a strike vote is expected.

A four-day walkout last month by public service employees caused an unprecedented disruption of Germany's transportation system. The public service workers eventually won wage and fringe benefit increases of about 13 percent. [REDACTED]

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WESTERN EUROPE: The Western Europe trade union movement makes an important advance today when the seven European affiliates of the Christian-oriented World Confederation of Labor formally apply for membership in the year-old European Trade Union Confederation (ETUC). Their admission at the ETUC Congress in May, which is considered certain, will bring almost all non-Communist labor unions in Western Europe into one regional organization for the first time. The ETUC will have the potential to exercise substantial political and social influence in Western European affairs, although there will be problems in reconciling occasionally divergent national concerns of members.

ETUC members continue to be divided on admitting the large Communist-dominated union confederations of France and Italy. Two non-Communist Italian trade union confederations favor accepting the Italian Communists. Many of the non-Communist labor leaders see this as a way to loosen Italian Communist ties with Moscow further, but they oppose membership for the more Moscow-oriented French Communist confederation, believing its admission would in effect give Moscow a voice in ETUC affairs. The powerful West German trade union organization fears that if the ETUC accepts the Italian Communist labor federation, it must eventually accept the French Communists as well.

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Meanwhile, the International Confederation of Free Trade Unions (ICFTU), whose European members form the existing ETUC, is considering the possibility of bringing about a merger with the much smaller World Confederation of Labor. Both organizations fear that their worldwide effectiveness will decrease as their European affiliates work increasingly within the ETUC framework. Although the two internationals share the common objective of promoting global free trade unionism, they have often in the past been bitter rivals--particularly in Africa and South America.

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One Canadian labor leader echoed long-standing regrets that the AFL-CIO is no longer in the ICFTU, where its presence would bolster ICFTU prestige and also help to blunt what Canadian trade unionists see as the ETUC's potential opening to Communist trade unions.

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*ETHIOPIA: The Ethiopian labor confederation of 85,000 members today called the country's first general strike as scheduled, according to press accounts. The call came despite last ditch efforts by the beleaguered government to head it off; the leadership of newly appointed Prime Minister Endalkatchew may be put to the test as the strike unfolds.

The strike is in support of demands for increased wages and other benefits. Union leaders apparently want to end the strike quickly, but the rank and file have threatened to continue until their demands are met.

So far, no violence has been reported, although plans reportedly have been laid for demonstrations. It is still unclear if restless students and non-union workers in the public services and administration have joined in the general strike. Ethiopian teachers have already been on strike for two weeks.

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